

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 634 – HB 705

March 26, 2013

SUMMARY OF ORIGINAL BILL: Requires the State Board of Education (SBE) to contract with a national education non-profit organization to provide various services related to the Advanced Placement (AP) exam, including professional development for teachers, student diagnostics, and consulting expertise to help improve the college readiness of students. Requires an annual report be provided to the Education Committees of the General Assembly and to the SBE. Requires the state to pay for student AP test fees and fees for career and technical education (CTE) certification or licensure examinations.

FISCAL IMPACT OF ORIGINAL BILL:

Decrease State Revenue – Exceeds \$200,000/FY13-14 and Subsequent Fiscal Years

Increase State Expenditures –

Exceeds \$4,861,000/FY13-14

Exceeds \$5,285,000/FY14-15 and Subsequent Fiscal Years

SUMMARY OF AMENDMENT (005159): Deletes all language after the enacting clause. Establishes a two-year pilot program to enhance accessibility to Advanced Placement (AP) courses and exams, and career and technical certification exams, for high school students to be administered by the Department of Education. Pilot project participants shall not pay for testing. Requires the pilot program to be conducted such that the expenditures for AP and certification testing are limited to \$100,000 each year. Requires the Office of Research and Education Accountability (OREA) to study the pilot program and make an initial report on its effectiveness at the end of the first year. At the pilot program's conclusion, OREA shall submit a second report to the Education Committees of the General Assembly by November 1, 2014, and a final report to such Committees by November 1, 2015.

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FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures –

Exceeds \$150,000/Each Year FY13-14 and FY14-15

Assumptions for the bill as amended:

- The increase in state expenditures for new AP and certification testing will be limited to \$100,000 in each year FY13-14 and FY14-15.
- The DOE will increase expenditures for program administration. The extent of this increase cannot be precisely determined, but is reasonably estimated to exceed \$50,000 each year of the pilot program with personnel, travel, and other administrative activities.
- The total increase in state expenditures for each year FY13-14 and FY14-15 is estimated to exceed \$150,000.
- Any increase in state expenditures for OREA to study and report on the pilot program is estimated to be not significant.
- Any increase in state expenditures in FY15-16 and beyond will be dependent upon whether the General Assembly decides to extend and expand the program; therefore, any increase in state expenditures for FY15-16 and subsequent years cannot be determined.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Lucian D. Geise, Executive Director

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